



NAVIGATING THE NEW NORMAL

Andrew J. Raphael
Meyers Norris Penny LLP

Navigating The New Normal

Global Perspective
Local Knowledge
FarmTech 2006

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Meyers Norris Penny LLP



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Globalization and The New Normal

- The Future Ain't What It Used to Be!
- Experience is a very good teacher. But the tuition can be quite high!



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"The Future Ain't What It Use To Be!"
Yogi Berra

- BE LOCAL & GO GLOBAL
- Understanding the environment that shapes the new normal in agriculture
- Enhancing Local relationships with clients by understanding the Global impacts affecting their business



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Globalization's Drivers & Impacts



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Globalization & Competitiveness

- The World Is Flat
- Technology = Leveling of the Global Playing Field
- Increasingly interconnected technology and resulting opportunities
- Increased International competition and challenges.



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How Has Globalization Impacted Agribusiness?

- Global supply & value chains
- Security & trade flows
- Food safety



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A Crisis Is A Terrible Thing To Waste

- Domestic Market
- International trade
- Agreement impacts & enforcement
- Multinationals
- Non tariff barriers
- Importance of Cooperation



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Uncle Sam



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China, Brazil & India Competitors & Markets



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Globalization & Food Trends

- Genetically Modified Food
- Agro-Terrorism
- Globalization = Immigration = Ethnic Cuisine = Fusion Foods



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Functional Foods



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Exporting Cross Cultural Considerations



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Must Move From Push To Pull






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Food Processing Consolidation

- **Consolidators**
 - multi-national consolidators that include their Canadian strategy as part of a larger global game plan.
- **Transitional**
 - need to either grow, specialize or exit
 - squeezed by large processing plants that have lower production costs and by smaller processors that are more nimble
 - need to differentiate - branding & service
- **Niche**
 - family & market focused
 - producers becoming processors
 - undercapitalized sometimes
 - Growth can lead to downfall



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The Times They Are A Changin

- Commodity to ingredients
- Inputs to outputs
- Open access to proprietary ingredients
- Independence to interdependence




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a brand new strategy

Move From Commodity To Consumer Driven Differentiated Value Added Products



PLATE TO THE GATE



The Supply Chain Is Only As Strong As Its Weakest Link

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Branding Builds Trust

- Connects Emotionally
- Creates Value Chains
- Accountability
- Differentiates
- Adds Value
- = \$\$\$



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Global Perspectives... Local Knowledge

Unlocking The Alberta Advantage

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Producers Earning Trust

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Local Farmers & Producers Are The Brand

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Cross Promotions Food Service Opportunities

BEEF & CABERNET

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Going Global

Canada Beef Export Federation Canada Pork International

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Value Chain Collaboration

Partnership among

- Calgary Coop
- ByBliss Bakery
- Schroeder Milling
- Alberta Barley Commission

Value chains allow businesses to respond to the marketplace by linking production, processing and marketing activities to market demands.

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New Normal Reality Check

- WHY are you doing it?
- WHAT'S your competitors doing?
- WHO are your customers?
- WHERE is your business today?
- WHERE do you want it to be tomorrow?
- How do you plan to get there?

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Responses

- The Customer is King
- Understand your customer's customers
- Brand your Product
- Empathy (Where You Sit is How You Think)
- Pull Not Push
- Prepare for Functional Foods
- Plan for Consolidation
- Local Farmers & Producers Are The Brand
 - Neighbors at Home
 - & Ambassadors Abroad

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Responses

- Know the Market
 - Product, Price, Support Systems
- Quality Control
 - HACCP, ISO
- Know The Competition
- Partner To Succeed
 - From Plate to Gate
 - Communicate & Collaborate

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Navigating The New Normal Requires New Comprehensive Approaches That MNP Can Help You With

- See our web at : www.MNP.ca
- Call Toll Free 1-877-688-8408 to be connected to an MNP professional in your area who can assist
- Your MNP team provides world-class expertise in tax, accounting, and a wide range of business advisory services.

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WHAT IS WRONG WITH MY CROP?: DIFFERENTIATING PLANT DISEASE ISSUES FROM ABIOTIC FACTORS AND SEED QUALITY CONCERNS

Kelly Turkington¹, Rob Dunn², Jack Payne³, Kevin Zaychuk⁴, and Sarah Foster⁴

¹Agriculture and Agri-Food Canada, Lacombe/Beaverlodge, AB; ²Alberta Agriculture, Food and Rural Development, Lethbridge, AB; ³Olds College, Olds, AB; ⁴ 20/20 Seed Labs Inc., Nisku, AB

Introduction

Each year farmers, crop scouts, industry agronomists, seed retailers, chemical company representatives, diagnostic labs, and research and extension staff can be faced with the challenge of correctly diagnosing crop production problems. Producers typically want to know what is causing the observed poor crop performance and what can be done to alleviate it. In addition, producers may be concerned regarding potential problems related to inputs like fertilizers, herbicides, fungicides, seed treatments, and seed. As a consequence of one or more of these concerns, product performance inquiries are often initiated. Depending on the problem, individuals or groups such as crop scouts, industry agronomists, seed retailers, chemical company representatives, diagnostic labs, and research and extension staff may be involved. To reach an effective resolution concerning a crop production problem it will be important to correctly identify the cause of these concerns. Unfortunately, misdiagnosis of the problem can lead to the unnecessary use of inputs, and lack of compensation or unnecessary compensation relating to product performance inquiries. Moreover, for the producer the true underlying cause of the crop production issue may not be resolved and it can continue to affect subsequent crops.

Crop production problems fall into two broad categories: biotic or abiotic factors. Biotic factors generally relate to stresses imposed on the crop by insects, weeds, diseases, or seed quality factors such as poor germination or vigour. In contrast, abiotic factors relate to stresses imposed by poor growing conditions, fertility issues, seedbed preparation and seeding concerns, and crop input injury issues. However, these categories are not mutually exclusive with abiotic stresses often increasing the susceptibility of plants to the effects of biotic factors like plant disease. The goal of this presentation is to provide an overview of the general characteristics of plant disease issues that may affect the crop from seeding to harvest. Recommendations to correctly identify these issues and differentiate them from other biotic and abiotic factors that may affect the crop will also be discussed.

Early season issues

Crop production concerns that occur early in the growing season can often be among the most difficult to diagnose. In general, at this stage of crop development the focus is typically on issues affecting seed germination, crop emergence, stand establishment, and general crop appearance. Information related to the accurate diagnosis of early season issues can be used to correct the problem, which mainly applies to non-disease issues, such as fertility concerns. The diagnosis can also be used to identify or rule out product performance or non-disease issues that may be related to seed treatments, fertility problems, herbicide residues, poor seedbed preparation, seeding practices, and seed quality issues. Producers can also use accurate diagnosis of early season issues to plan for the next growing season, especially where in-crop options are limited during the current growing season. For example, crop emergence and stand establishment issues may be related to poor seed-to-soil contact, deep seeding, or too much fertilizer in the seed-row.